



CITY OF DURHAM | NORTH CAROLINA

## Memorandum

**Date:** April 7, 2015

**To:** Thomas G. Bonfield, City Manager

**Through:** Keith Chadwell, Deputy City Manager

**From:** Kevin Dick, Director - Office of Economic & Workforce Development (OEWD)

**Subject:** Updated Durham City-County Workforce Development Area Interlocal Consortium Agreement to Serve as a Designated Local Workforce Development Area, to Establish a Local Workforce Development Board, and to Administer the Workforce Innovation and Opportunity Act of 2014 (WIOA)

### Executive Summary

This item has been prepared in order to transmit a proposed Interlocal Consortium Agreement between the City of Durham and Durham County, which is required under The Workforce Innovation and Opportunity Act (WIOA), Public Law 113-128, as enacted July 22, 2014. The new law and the proposed Interlocal Consortium Agreement would take effect on July 1, 2015.

### Recommendation

It is recommended that the Interlocal Consortium Agreement be approved. The agreement would re-establish the following:

- The existence of the Durham Workforce Development Board;
- The ability for Durham City Council and the Durham County Board of County Commissioners to appoint individuals to the Durham Workforce Development Board;
- The City's Office of Economic & Workforce Development as the administrative entity for the Durham Workforce Development Board;
- The Mayor as the chief elected official for the Durham Workforce Development Local Area, which consists of the City of Durham and Durham County – The Durham Workforce Development Board would continue to have planning and local oversight guidance for the Durham Local Area.

### Background

The United States Congress enacted the Workforce Investment Act of 1998 (WIA) in order to help citizens access tools to manage their careers through information and high-quality services and to help companies find skilled workers. In 2003, the Durham City Council and the Durham County Board of County Commissioners found that the labor market area consisted primarily of the City and the County and that the area constituted an economically integrated geographical area within which workers readily changed jobs without changing their residences. Therefore, in June of that year, the City and County formed an interlocal consortium agreement for the

purposes of re-establishing the Durham Workforce Development Board, which had existed since 1998 and had a planning and oversight area of the City of Durham and Durham County.

The Board currently consists of twenty-nine members and operates under the premises of the WIA and the legislation that preceded it – the Job Training Partnership Act (JTPA). The Board plans, facilitates, and coordinates a workforce development system that is responsible to the needs of employers and jobseekers through development of a skilled, productive, and competitive workforce in Durham. Specific goals, objectives, strategies, initiatives, and measures are captured in the 2015 – 2017 Durham Workforce Development Board Strategic Plan (see attached).

### **Issues/Analysis**

This Interlocal Consortium Agreement is time sensitive inasmuch as one of the State's requirements is for the Mayor of the City of Durham to submit a letter to the Assistant Secretary for Workforce requesting initial designation by the Governor as the Durham Local Area as outlined in the Workforce Innovation and Opportunity Act, Public Law 113-128, Section 106(b)(2). This letter is due on or before May 15, 2015.

Additionally while the Workforce Innovation and Opportunity Act of 2014 (WIOA), Public Law 113-128, reauthorizes the Workforce Investment Act of 1998 (WIA), Public Law 105-220, there are significant changes between the two laws including, but not limited to, the following:

- WIA gives specific authority to oversee expenditures associated with the Welfare to Work Grant, which has now expired;
- More emphasis will be placed on career pathways under WIOA;
- More emphasis will be placed on individuals with barriers to employment under WIOA;
- More emphasis on the attainment of post-secondary credentials under WIOA;
- WIOA requires local boards to convene sector partners and to engage businesses; and
- WIOA requires strengthened and simplified performance measures.

### **Alternatives**

The City Council could choose not to approve the Interlocal Consortium Agreement. In so doing, no funds associated with the Workforce Innovation and Opportunity Act of 2014 could be received/administered by the City on behalf of the City, the County, the Durham Workforce Development Board nor the businesses and jobseekers we serve.

### **Attachments**

- 2015 – 2017 Durham Workforce Development Board Strategic Plan
- Durham City-County Workforce Development Area Interlocal Consortium Agreement to Serve as a Designated Local Workforce Development Area, to Establish a Local Workforce Development Board, and to Administer the Workforce Innovation and Opportunity Act of 2014
- Letter from the Mayor requesting initial designation by the Governor as the Durham Local Area as outlined in the Workforce Innovation and Opportunity Act, Public Law 113-128, Section 106(b)(2)
- Resolution Incorporating the Workforce Innovation and Opportunity Act of July 1, 2015, within the Durham Workforce Development Board and Extending Specific Authority to Enter into an Interlocal Consortium Agreement